
Transportation Committee

SB 5540

Brief Description: Establishing high capacity transportation corridor areas.

Sponsors: Senators Pridemore, Hargrove, Marr, Shin and Haugen.

Brief Summary of Bill

- Allows certain transit agencies to establish one or more high capacity transportation corridor areas within the transit agency's boundaries for the purpose of providing high capacity transportation (HCT) service.
- Authorizes the transit agency to finance the HCT system through voter-approved revenue measures that are in addition to revenue measures authorized for other public transportation purposes.

Hearing Date: 3/16/09

Staff: Kathryn Leathers (786-7114)

Background:

In the central Puget Sound region, high capacity transportation (HCT) systems may be established and financed by a regional transit authority (Sound Transit). Outside of the central Puget Sound region, HCT systems may be established by certain transit agencies only in Clark, Spokane, Thurston, Whatcom, and Yakima counties.

High capacity transportation service means a system of public transportation services within an urbanized region operating principally on exclusive rights of way, and the supporting services and facilities necessary to implement the system, including interim express services and high occupancy vehicle lanes, which, taken as a whole, provides a substantially higher level of passenger capacity, speed, and service frequency than traditional public transportation systems operating principally in general purpose roadways.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Transit agencies authorized to provide HCT service may seek to finance the system and service with the following voter-approved revenue measures:

- an employer tax of up to \$2 per month per employee;
- rental car sales and use tax not to exceed 2.172 percent; and
- sales and use tax not to exceed 0.9 percent.

To assure development of an effective HCT system, the local authority must establish a system and financing plan, and must provide for public involvement. In addition, an expert review panel must be appointed to provide independent technical review for development of any plan which is to be funded in whole or part by HCT voter-approved taxes. The state's role in HCT planning is to facilitate cooperative state and local planning efforts, and to provide system and project planning review and monitoring in cooperation with the expert review panel.

In general, most transit agencies, like public transportation benefit areas and county transportation authorities, are authorized to impose a sales and use tax of up to 0.9 percent with voter approval for the purpose of funding public transportation services.

Summary of Bill:

Certain transit agencies are authorized to create one or more high capacity transportation corridor areas (HCTCA or corridor area) within their existing boundaries for the purpose of establishing, financing, and operating high capacity transportation (HCT) services. Based on population and geographic requirements, HCTCAs are authorized to be created by transit agencies in Clark and Spokane counties.

A HCTCA is a quasi-municipal corporation and independent taxing authority, and is governed by the existing governing body of the transit agency authorized to create the corridor area. The boundaries of a corridor area may include all or a portion of a city or town if the portion to be included in the corridor area is within the transit agency's boundaries. A HCTCA possesses the same taxing authority available to any agency authorized to establish and finance a HCT system (employer tax or up to \$2 per month per employee; rental car tax up to 2.172 percent; and sales and use tax of up to 0.9 percent), all of which require voter approval.

Voter-approved taxes imposed for HCT purposes are in addition to the voter-approved taxes permitted to be imposed by a transit agency for other public transportation purposes. If more than one corridor area is created within an authorized transit agency's boundaries, combined HCT taxes may not exceed the maximum rates authorized for the HCT systems. A corridor area may also issue general obligation and revenue bonds.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.